

**TASK ORDER PROGRESS
AND COST REPORT**

**LOCAL GOVERNMENT
REFORM PROJECT**

MOLDOVA

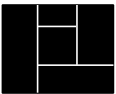
APRIL - JUNE 2001

Prepared for



U.S. Agency for International Development
Local Government Assistance Initiative
Contract No. EEU-I-00-99-00015-00
Task Order 806

Prepared by



THE URBAN INSTITUTE
2100 M Street, NW
Washington, DC 20037
(202) 833-7200
www.urban.org

John Tabor

July 2001

UI Project 06901007

TABLE OF CONTENTS

BACKGROUND	2
PROGRESS DURING THE PAST QUARTER.....	2
FIELD OBSERVATION	4
STAFF DEVELOPMENT	4
PROGRESS AND FORECAST	4
CONSTRAINTS	4
RECOMMENDATIONS	4
SIGNIFICANT FINDINGS AND DELAYS.....	5
WORK PLANNED FOR NEXT REPORTING PERIOD.....	5
SPECIFIC ACTION REQUESTED	5
UP-TO-DATE SCHEDULE OF WORK.....	5
KEY PERSONNEL:	5

TASK ORDER PROGRESS AND COST REPORT

MOLDOVA LOCAL GOVERNMENT REFORM PROJECT

APRIL - JUNE 2001

BACKGROUND

In February 2000, USAID contracted the Urban Institute (UI) to implement a five-year local government project in Moldova. The project aims to support the government's reform agenda with training and technical assistance. Specifically, the project is working to increase the amount and control of revenues for local governments, improve municipal services management, develop institutional support for local government and municipal services and improve strategic planning and asset management in local governments.

PROGRESS DURING THE PAST QUARTER

Highlights

- Follow up meetings to the strategic planning workshops for the city of Cimislia
- Implementation of pilot projects for water supply for Cimislia and Cricova
- Landfill site studies for the Iznovats Valley communes, and the Commune of Gribova
- Visits with Mayors and staff of Chisinau, Ungheni, Orhei, Ceadir Lunga, Ialoveni and Anenii Noi
- All pilot sites inspected
- Preparations for asset management video conference commenced

2.2.and 2.3 Municipal Services Pilot Projects

2.2.1.1 Strategic Planning for Local Governments

Cimislia

The project held a Strategic Planning Workshop and follow-up meetings in Cimislia on May 4 and 22, respectively. Participants responsible for implementation briefed each other on action taken, problems, solutions and next steps.

Drochia and Cricova

The Mayors of Drochia and Cricova requested strategic planning assistance. Other mayors also expressed interest in receiving similar assistance. USAID authorized a public opinion survey as a first step in strategic planning for Cricova.

2.2.2 Asset Management for Local Governments

Dr. Victor Popa, law professor and senior advisor of the Viitorul Foundation, is reviewing the legal framework of ownership of tangible assets and Program Specialist Natalia Motili is surveying mayors on current practices in local government asset management. The project is planning a series of technical assistance and training activities to be conducted during the next six months. The activities are being designed to increase local government revenues from business-related properties, increase efficiency of



social services assets and acquire and dispose of assets in accordance with their value (utility) to local governments.

2.2, 2.3, 3.2, 3.3. Municipal Services Pilot Projects with Citizen Participation

Ialoveni. The Dwellers' Association started preparations for heating its buildings next winter. The project assisted the Association to create an accounting system to track revenues and payments incurred in the operation of the heating system that belongs to the Association. The accountant of the Dwellers' Association received training from the project in producing accurate, clear and timely financial reports for member information. The Association is considering the addition of other services such as water, hot water, electricity and gas administration.

Suruceni and Gribova. IPROCOT continues work on the design for the landfill in the Iznovats River Basin (Suruceni, Nimoreni, and Malcoci). Project representatives visited the site where the geological and topographical study was underway on May 10, 2001. They also had several meetings with representatives of IPROCOT to monitor progress and receive preliminary results. In May, the project contracted IPROCOT to prepare the studies and designs for a landfill for the Commune of Gribova. Work on the site study will begin in July 2001.

The project obtained a booklet on waste administration in Moldova from the Ministry of Environment and Territorial Development. The booklet is a useful reference that can be used during meetings with the population or in projects reports on waste administration in Iznovats River Basin and Gribova.

Cimislia. The Town of Cimislia continues to restore and improve its water supply system. Most of the construction is complete, and some residents now have constant water supplies. Project staff members verified the delivery and quality of equipment purchased for the water supply project. Completion of the improvements requires one more tender.

Cricova. A Grant Agreement was prepared and signed April 9, 2001, with the Town of Cricova for implementation of the project for improving and expanding water services. The Town chose a service provider through a competitive tender organized by the mayor's office. The selected company now is drilling the well that will enable expansion of the water supply.

3.1, 3.2, 3.3 Democratic Governance

Dwellers' Associations

The mayors of Ialoveni and Cimislia are encouraging apartment dwellers to form associations to manage their own community services and to participate more actively in local government. Residents in Cimislia have elected leaders who will represent building residents in the implementation of a pilot water project.

Transparency/Public Information Center and Hotline

During the past quarter, the city of Ialoveni established several facilities for public participation in governance. The mayor's office established a public information center in the town's city hall by providing a room, furniture and a telephone information service. USAID donated a computer and bookshelves for the center. Ialoveni also launched its own monthly local informational bulletin (supplement to the newspaper) that covers issues and activities of the city and its mayor's office.



3.3.2.1 NGO Capability to Deliver Strategic Planning Training.

The project is preparing assistance to the Association of Mayors and Local Communities of Moldova for elaboration of a strategic plan and for training local consultants to offer similar services to members of this association. These activities are planned for September and October 2001.

FIELD OBSERVATION

On April 30, 2001, the project conducted a field observation and staff training exercise. Project staff members visited Ialoveni, Suruceni and Ghidighici to undertake rapid assessments of municipal infrastructure and services. Interviews with local residents supplemented the visual information that the team gathered.

STAFF DEVELOPMENT

The project conducted the following internal workshops for its staff:

- “Preferred Futuring” for strategic planning, by Natalia Motili;
- “Qualitative Research for Education” by Liliana Gutu; and
- “Web-based Training and Adult Learning” by Aurelia Ciornei.

Dr. Tabor provided interpretations of materials, and responded to questions.

PROGRESS AND FORECAST

During Year 2 of the Local Government Reform Project staffing will be increased to include a resident advisor of Fiscal Reform and another for Municipal Services. The project will direct more efforts to increase the amount and control of budget revenues for local governments. Municipal services will be strengthened with expert assistance, to the extent that local government finances can provide the necessary resources. Support for democracy and governance will be directly targeted on NGOs and citizen associations that are involved in fiscal reform and municipal services.

CONSTRAINTS

The delay of Year 2 funds from USAID has been the greatest constraint during the past quarter. Project activities have supported existing pilot projects and cities, but no new initiatives were introduced.

RECOMMENDATIONS

Opportunities for joint action by the associations of mayors will be encouraged and supported by the project. Four of the associations recently formed a working group to advise the parliament on needed legislation. The project will encourage them to work together on other areas of local government reform as well, including citizen participation, capacity-building for local government staffs and officials, expansion of member services and fundraising.



SIGNIFICANT FINDINGS AND DELAYS

The new Government of Moldova intends to make changes in local territorial jurisdictions and in local public administration and finance. It is too early to predict the result, but a Parliamentary Commission has been created to make recommendations. We will provide advisory assistance for this effort.

WORK PLANNED FOR NEXT REPORTING PERIOD

The pilot cities of Cricova and Drochia have requested LGRP strategic planning assistance. In addition, several candidate pilot cities have expressed interest in strategic planning, including Edinet, Orhei, Comrat, and Ceadir Lunga. Preparation of these plans might be helpful to the cities to prepare their 2002 budgets.

We expect to assist the Association of Mayors and Local Communities with strategic planning and consulting skills in September 2001, if funds are available. We also hope to launch engineering and financial studies of the Thermocom heating systems in Orhei and Ialoveni.

We are planning to have a video-conferencing seminar on Asset Management. We will expand our network of mayors, NGOs, and local consultants to participate in our future activities. Two new resident advisors will be added and a new work plan for Year 2 will be prepared with their participation.

SPECIFIC ACTION REQUESTED

Funding for Year 2 is required for continuation and expansion of the Project activities.

UP-TO-DATE SCHEDULE OF WORK

KEY PERSONNEL:

Dr. John S. Tabor; (373 2-234722; tabor@lgrp.net.md)